



United States  
Department of  
Agriculture  
  
Foreign  
Agricultural  
Service

# PROGRAM ANNOUNCEMENT

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## **USDA OFFERS GSM-102 CREDIT GUARANTEES FOR EXPORT SALES TO TURKEY**

WASHINGTON, Jan. 11, 2008 – The U.S. Department of Agriculture today announced the availability of the following credit guarantees for sales of U.S. agricultural commodities under the Commodity Credit Corporation's Export Credit Guarantee Program (GSM-102) for fiscal year 2008:

Total Amount Available: \$165 million  
Geographical Area: Turkey

The GSM-102 program helps ensure that credit is available to finance commercial exports of U.S. agricultural products to developing countries, while providing competitive credit terms in these countries. Under this program, Commodity Credit Corporation (CCC) reduces the financial risk to lenders by guaranteeing payments due from approved foreign banks to exporters or financial institutions in the United States.

This program announcement is issued in accordance with title 7, section 1493.10(d), of the Code of Federal Regulations.

### **COMMODITY ALLOCATIONS**

Exporters may apply for credit guarantees on a first-come, first-served basis. These guarantees are to cover sales of any of the commodities specified in the GSM list of commodities. The latest commodity list can be obtained by accessing the Foreign Agricultural Service (FAS) Web page at <http://www.fas.usda.gov/excredits/gsmcommodities.html>. Applications will be accepted beginning at the following time:

Beginning Time: 9:00 AM in the Eastern Standard Time Zone  
Beginning Date: Jan. 14, 2008

The allocation does not assign dollar amounts to any of the commodities specified in the GSM list of commodities, providing buyers and sellers maximum flexibility in arranging the size of their transactions within the scope of the overall allocation.

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## TERMS OF COVERAGE

In accordance with section 1493.20(v)(1), this announcement offers coverage on a free-alongside-ship or free-on-board basis. For breeder livestock, animal genetics, feeder cattle and poultry breeder stock sold on a cost-and-freight or cost-insurance-and-freight basis, coverage on a cost-and-freight basis to point of ocean transportation or international air carrier discharge is also available in accordance with section 1493.20(v)(2). Coverage is not available under this announcement for insurance costs.

Coverage of up to 98 percent of the principal is offered on credit terms from 30 days to three years, except for solid wood products, wood pulp, and wood chips, for which coverage is offered on credit terms of up to 720 days. Adjustable interest coverage is also offered in accordance with FAS program announcement PR 0105-05 issued July 15, 2005, or as superseded.

## ELIGIBLE BANKS IN TURKEY

Any bank approved by CCC for this country is eligible. For a complete list of eligible banks, refer to the CCC "GSM Program Foreign Bank Obligors" Web page located at <http://www.fas.usda.gov/excredits/foreignbanks.html>. Exporters are advised to obtain from their foreign buyer the name of the CCC-approved foreign bank that will be opening the letter of credit.

## GUARANTEE FEE RATES

Pursuant to section 1493.70, a complete list of fees is available on the CCC "GSM-102 Guarantee Fee Rate Schedule" Web page located at <http://www.fas.usda.gov/excredits/gsm102fees.html>. These fees are listed by risk category. A complete list of countries and their associated risk category is available on the CCC "Country Risk Category" Web page located at <http://www.fas.usda.gov/excredits/countryrisk.html>.

## SPECIAL TERMS AND CONDITIONS

Sales must be registered with CCC by Sept. 30, 2008. Exporters' contractual arrangements must call for exports no later than Nov. 30, 2008.

Coverage on sales to Turkey also includes the credit option set forth below.  
Length (Term) of Coverage: 36 months Principal Repayment Intervals: 15/36 repayment at 15 months, 9/36 at 24 months and 12/36 at 36 months.

## POINTS OF CONTACT

For further information, contact the Registrations and Operations Branch of FAS at (202) 720-3224, or by e-mail at [gsm.registrations@fas.usda.gov](mailto:gsm.registrations@fas.usda.gov).

For the latest updates on FAS programs and activities, go to the FAS Web page at <http://www.fas.usda.gov>.